KORI HOLDINGS LIMITED

SUSTAINABILITY REPORT 2024

This Report has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). This Report has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Ms Ng Shi Qing, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

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CHAIRMAN'S MESSAGE AND BOARD STATEMENT ON SUSTAINABILITY

Dear Stakeholders,

The Board of Directors (the "**Board**") is pleased to present the 8th Sustainability Report (the "**Report**" or the "**Sustainability Report**") of Kori Holdings Limited (hereafter referred to as "**Kori**" or the "**Company**", and collectively with its subsidiaries, the "**Group**", or "**we**") for the period from 1 January 2024 to 31 December 2024 ("**FY2024**"). The Board acknowledges its responsibility to maintain the credibility of this Report. We believe that the Report comprehensively covers all relevant factors influencing the Group's ability to create value and faithfully represents the Group's overall performance.

The Board considers sustainability issues as part of the Group's business and strategic formulation. The Board has determined the material Environment, Social and Governance ("**ESG**") factors and overseen the identification, monitoring and management of risks and opportunities relating to ESG issues material to our business with the support of the Sustainability Task Force ("**STF**"), which is chaired by our Executive Chairman and Chief Executive Officer and includes designated senior executives. With supports from the Management, the STF identified the types of relevant ESG topics caused by the Group's day-to-day operations and assesses and determines the ESG topics to be disclosed in this Report based on the materiality, impact and influence on stakeholder values, as well as the achievement of the Group's strategic objectives. The Board has given directions and advice concerning those material issues.

In addition to the adoption of Integrated Digital Delivery (IDD) and Design for Manufacturing and Assembly (DfMa) in prior years which significantly streamlined its operations and simplified the manufacturing and assembly process, the Group has in 2024 fully implemented its highly productive Precast Traffic Diversion Decking System (PTDDS) in the new MRT Cross Island Line projects and successfully re-utilised the precast deck panels within its existing projects, these green initiatives further enhanced our productivity and sustainable business practices.

The Board is keenly aware of the growing risks posed by climate change and global warming, and we have resolved to continuously improve and update our sustainability reporting process to respond to changes from time to time. We aim to progressively improve our climate-related risks assessment and reporting.

The Board is committed to sustainable business practices that will improve our operational efficiency which in turn allow us to create value for our shareholders and improve our Group's competitiveness.

I would like to express my appreciation to our shareholders, business partners and all other stakeholders for their unwavering support in helping Kori establish its role as a trusted partner in building a more resilient and sustainable economy. We look forward to further collaborations and partnerships in the future.

Sincerely,

For and on behalf of the Board

Mr Hooi Yu Koh
Executive Chairman and CEO
30 April 2025

ABOUT THIS REPORT

The Report provides information about Kori's key sustainability topics, management policies and sustainability performance across all operations of the active subsidiaries of the Company.

SUSTAINABILITY REPORTING FRAMEWORK & REPORTING PRINCIPLES

This Report is produced with reference to the Global Reporting Initiative ("**GRI**") Standards 2021, covering the Group's performance during FY2024. The GRI standards were selected as they represent the most widely used framework for sustainability reporting. A GRI Content Index at the end of the report specifies the location of the relevant disclosures.

This Report also aligned with the climate-related requirements of IFRS Sustainability Disclosure Standards ("**IFRS SDS**"), Rules 711A, 711B and Practice Note 7F (Sustainability Reporting Guide) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") for sustainability reporting.

The IFRS SDS issued by the International Sustainability Standards Board ("**ISSB**"), comprising IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information ("**IFRS S1**") and IFRS S2 Climate-related Disclosures ("**IFRS S2**"), provide a comprehensive framework for sustainability disclosures focused on the needs of investors and financial markets. It builds on the recommendations from the Task Force on Climate-related Financial Disclosures ("**TCFD**").

This year marks the Group's first-time adoption of IFRS SDS for climate-related disclosures. As such, comparative information for the previous financial year is not available. However, prior-year information previously reported in alignment with the GRI Standards, continues to be presented for comparability purposes. We aim to progressively improve our climate-related risks assessment.

The following principles were applied in determining the quality and relevance of material ESG topics that are contained in this Report: *Accuracy, Balance, Clarity, Comparability, Completeness, Timeliness and Verifiability*.

The Board has reviewed and approved the reported information, including the material ESG topics.

RESTATEMENTS

Restatements were made for FY2023 employee age group (>50 years old). Please refer to page 24 for more details.

ASSURANCE

Internal controls and verification mechanisms have been established by management to ensure the accuracy and reliability of narratives and data. To further enhance the credibility of the Group's sustainability reporting, the Group has subjected our sustainability reporting process to internal review by our internal auditors, as required by SGX-ST Listing Rules 711B (3).

The Group has not sought external assurance for this reporting period but may consider doing so in the future subject to market trends and regulatory requirements.

AVAILABILITY & FEEDBACK

This Report supplements the Group's Annual Report for FY2024 ("**AR 2024**"). As part of our environmental conservation effort, we would not be distributing physical copies of this Report and a copy of which can be found on our corporate website https://kori.com.sg and on SGXNet.

We appreciate valuable comments and feedback from our stakeholders to assist us progress further in our sustainability journey. Please contact us at: admin@kori.com.sg.

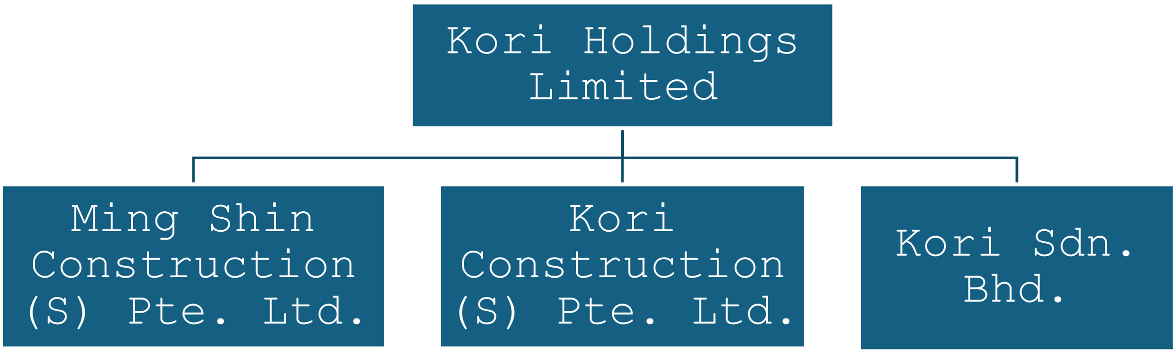
ABOUT US

Corporate Profile

Kori is listed on the Catalist Board of SGX-ST under the stock code “5VC”. Headquartered in Singapore, we are a multinational specialist builder in structural steel works, piling works, ground support and stabilisation works. Through our wholly owned subsidiaries in Singapore and Malaysia, we are principally engaged in providing civil engineering, structural engineering and infrastructural construction services as a major sub-contractor for commercial, industrial and public infrastructural construction projects.

Our customers include both local and overseas developers in the engineering construction industry. With our strong track record, business reputation and superior quality services, many of our major customers have been doing business with us for more than a decade.

Group Structure



Operating Segments

Structural steelworks services

We design, purchase and fabricate reusable steel struts and steel beams for temporary strutting works in earth retaining or stabilising structures for excavation works and rental of steel beams.

Tunnelling services

We supply skilled personnel with the required technical expertise to provide macro-tunnelling works.

Achievement

Since the year 2000, we have achieved successful completion of underground stations and tunnels for prominent projects such as the Singapore MRT Thomson East Coast Line, Downtown Line, Circle Line, Changi Airport Line, North East Line, Deep Tunnel Sewerage System, Kuala Lumpur MRT, UAE Dubai’s Metro Red Line and Green Line.

ESG Performance Highlights

The Group has made progress in our sustainability journey in FY2024. Our ESG achievements are highlighted below:

- Achieved 93.6% reuse of steel inventory
- Zero (0) incidence of environmental and socioeconomic non-compliance
- Zero (0) major safety incidents or fatalities

Membership

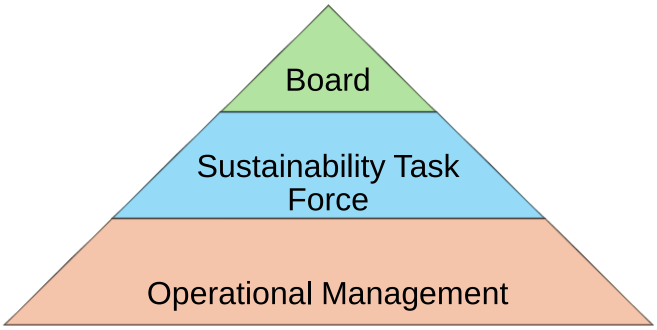
Joining associations strategically enhances corporations' networks, knowledge, and influence. It provides opportunities for growth, collaboration, and staying competitive. We see valuable benefits and advantages in association memberships. We have been a member of **Singapore Welding Society** since 2024.

Awards & Certification

We have attained and maintained various awards and certifications, such as the following:

- BCA BC1 Compliance Certification for Re-usable Steel Strutting System in Earth Retaining or Stabilizing Structures (2012)
- Innovative Noise Management Award for Contract T216 (2017)
- GOLD^{Plus} BCA Awards for Integrated Digital Delivery (IDD) Project Category for the project Land Transport Authority ("**LTA**") Contract N110 – Design and Construction of North-South Corridor (Tunnel) between Ang Mo Kio Avenue 3 and Ang Mo Kio – awarded by BCA for Recognising Excellence in the Built Environment (2021)
- Workplace Safety & Health Council BizSAFE Level Star Certification
- ISO 45001:2018 Occupational Health and Safety Management Systems for Strutting and Decking Works

SUSTAINABILITY REPORTING GOVERNANCE STRUCTURE



The Board

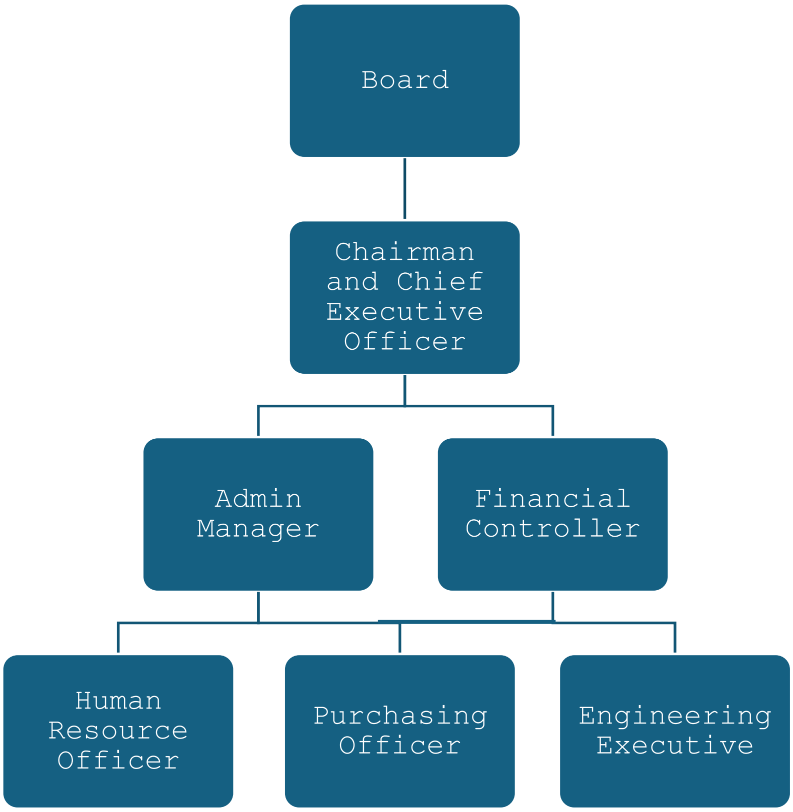
The Board is crucial in overseeing the Group's sustainability agenda, assessing its progress, and ensuring alignment with the goals and targets. Our Board consistently consider sustainability and climate change discussions in meetings and actively participates in external training sessions on these topics that comply with Catalist Rule 711B(1)(e). These discussions encompass various aspects, including climate-related performance metrics such as GHG emissions reductions and the status of our low-carbon portfolio, ensuring a continuous focus on sustainability.

The Board has also incorporated sustainability issues into the formulation of the Group's business and strategies, and ESG management and risk assessments form part of the Group's comprehensive risk management framework.

All Board members have attended training on sustainability matters as prescribed by SGX-ST and they are able to contribute their perspectives on environmental issues from legal, financial or business viewpoints. Please refer to the Corporate Governance Report section in AR 2024 for detailed information on the directors' background and corporate governance approach.

Sustainable Task Force

Sustainability is integrated into our business and embedded across various roles and functions. At Kori, our unwavering commitment is centred on upholding integrity and accountability while strongly emphasising sustainability. We have established a dedicated STF in 2018 to spearhead our Sustainability and Climate Change Agenda. The CEO reviews and approves this agenda before presenting it to the Board. By clearly delineating roles and responsibilities, we ensure the highest standards of integrity and efficiency in executing our Sustainability and Climate Change Agenda. The outlined structure below illustrates the roles and responsibilities of each stakeholder in addressing all sustainability and climate change matters, thereby ensuring Kori's enduring sustainability.



Led by the CEO and includes key executives from the Administrative, Finance, Engineering and Human Resource departments, who are trained to continuously improve our sustainable practices across the Group, the STF is responsible for identifying and managing risks and opportunities, measuring, verifying, and validating the ESG data, monitoring the Group's sustainability impact and implementing actions for ecological footprint reduction.

STF enhanced the Group's sustainability effort in fostering ESG culture to achieve its long-term sustainability goals.

Recognising that many of the Group's sustainability issues cannot be addressed overnight and that the most meaningful sustainability initiatives require the collective effort of the Group, Kori plans to establish a performance appraisal system to include clear objectives and a fair and transparent evaluation criterion such as ESG targets as ESG key performance indicators ("**KPIs**") in the incentive plans for the heads of departments of the Group. The ESG KPIs will be also cascaded down to all employees whose performance bonuses and other incentives are tied to their KPIs.

STRATEGIC APPROACH TO SUSTAINABILITY MANAGEMENT

Kori has been strategically pursuing a sustainability agenda over the years. The Group recognises the importance of creating a positive impact on the environment, employees, and all other stakeholders in the value chain, while seeking greater profit margins.

STAKEHOLDERS ENGAGEMENT

The Group believes that meeting and exceeding the reasonable expectations of its key stakeholders are crucial to achieving sustainable growth. To keep abreast of material stakeholder issues, we actively engage in meaningful and productive dialogue with our stakeholders and participate in various industry and government forums. Stakeholders are identified as groups that have an impact, or have the potential to be impacted by the Group's business. Through regular stakeholder engagement, we identify and review material issues that are most relevant and significant to us and our stakeholders.

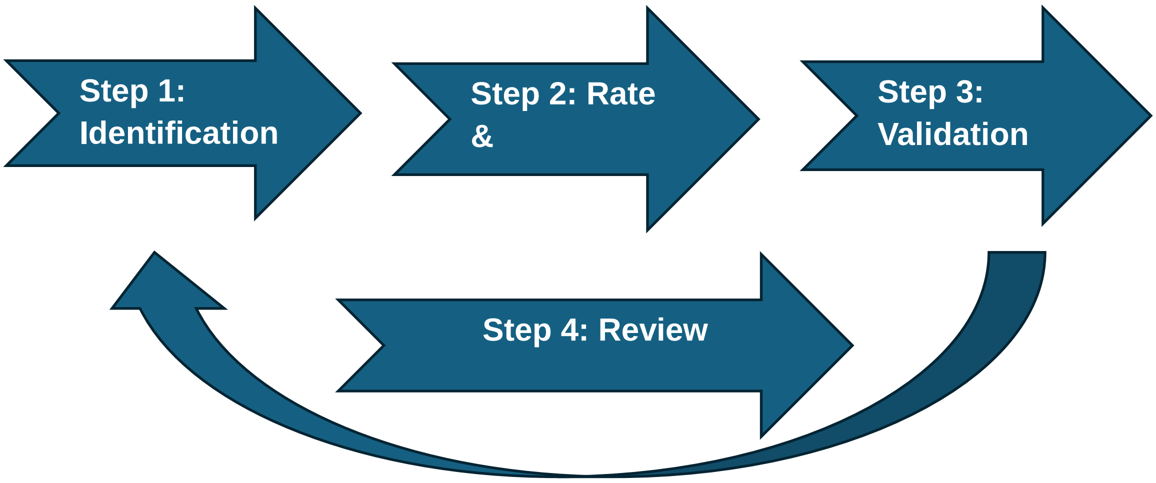
The table below summarises our key stakeholders, their key concerns, the platforms we engage with them, and our responses and significance to our operations.

Stakeholders	**Key concerns**	**Engagement platforms**	**Frequency of Engagements**	***Section Reference***
Employees	• Employee health and safety • Remuneration • Staff benefits • Professional development • Ethics and conduct • Compliance with local labour laws	• Performance appraisal • Training courses, workshops and conferences	• Annually • As and when required	• Social • Governance
Suppliers and subcontractors	• Health and safety • Environmental compliance • Social compliance	• Site inspections and site meetings	• Regular discussions, at least monthly	• Environment • Social
Customers	• Product and service quality • Customer health and safety	• Dialogues and feedback • Meetings and discussions	• Ongoing	• Social
Governments and regulators	• Compliance with industry regulations • Environmental compliance • Regulatory compliance	• Annual reports • Sustainability reports	• Annually • As and when required	• Governance
Community	• Environmental impact • Social development	• Engagement in community services	• As and when required	• Environment • Social

Stakeholders	Key concerns	Engagement platforms	Frequency of Engagements	*Section Reference*
Shareholders and investors	• Anti-corruption • Business resilience • Transparency and profitability • Sustainability • Corporate governance	• Annual reports • Half-yearly reports Investor relations management • Annual general meetings • Corporate website • Press release	• Annual • Half-yearly • As and when required • Ongoing	• Annual Report • Economic Performance • Environment

MATERIALITY ASSESSMENT PROCESS AND METHODOLOGY

To identify material ESG topics and focus areas, we evaluated the Group's overall risk environment and subsequently identified the actual and potential impacts to our stakeholders. The significance of these impacts is assessed in relation to the key concerns raised by our internal and external stakeholders gathered during the stakeholder engagement. With the assistance of our sustainability reporting consultant in FY2024, we have taken the following four (4) key steps to identify and present the relevant material topics in this Report:



Identification	Rate & Prioritisation	Validation	Review
We select material topics by conducting a comprehensive analysis of the factors shaping our strategic direction, examining current trends, potential risks, and promising opportunities.	We categorise the identified subjects into a matrix to prioritise the most significant concerns that impact both business expansion and stakeholders' decision-making.	We present the identified material matters to the Board for in-depth discussion, validation and approval.	We review material sustainability matters in subsequent reporting periods for continuing relevance.

We emphasise the importance of conducting regular materiality assessments to ensure the relevance and timeliness of our sustainability efforts in alignment with Business Continuity Planning (BCP). These assessments are driven annually. In our most recent materiality assessment during FY2024, with references to disclosable material sustainability topics published by Sustainability Accounting Standards Board ("**SASB**") Industry Standards on Engineering and Construction Services, we identified eleven (11) material topics, with seven (7) designated as high-priority areas.

Material ESG Topics	Prioritisation
1. Climate Change and GHG Emissions	High
2. Green Energy	Medium
3. Workplace Safety	High
4. Innovation & Product Quality	High
5. Training & Education	High
6. Corporate Social Responsibility	Medium
7. Supplier Assessment (Social & Environmental)	Low
8. Customers Health & Safety	High
9. Diversity & Equality	Medium
10. Corporate Governance [(1)]	High
11. Economic Performance [(2)]	High

(1) Please refer to the Corporate Governance section in AR 2024 for more details

(2) Please refer to the Financial Statement in AR 2024

This approach ensures our assessment of sustainability related risk and opportunity considers all potential sources of enterprise value creation.

Identifying and addressing material sustainability issues within the Environmental, Social, and Governance pillars is paramount for our business and stakeholders. These material matters are critical in shaping our understanding of industry trends, enabling us to assess associated risks and opportunities.

The ESG material topics will be discussed in more details in the ensuing sections. To better manage the Group's material areas and its performance, the Group reports year to year comparisons, where applicable, and has set further quantifiable targets for the forthcoming years with the aim of becoming net-zero or carbon neutral by 2050. The climate-related disclosure has been incorporated into the Environmental Section.

SUSTAINABILITY TARGETS AND COMMITMENTS

The below material ESG topics and targets and commitments were reviewed by the Board and determined to be relevant. They are specific, measurable, attainable, relevant and time bound.

Material ESG Topics	Targets and Commitments	Time Horizon
ECONOMIC		
Economic Performance	The Group has set specific revenue growth and profit margin targets to improve its economic performance, however, these financial targets are not publicly disclosed to avoid providing formal earnings guidance to ensure compliance with regulatory requirements. The Group remains committed to continuously stay vigilant and respond swiftly to any adverse situations which may potentially arise in times of economic uncertainties.	*Perpetual*
ENVIRONMENTAL		
Environmental Compliance	To fully align with the recommendation of IFRS S1 and S2 in managing climate related risks and opportunities.	*Short-term*
	No significant fines or non-monetary sanctions for non-compliance with environmental laws and regulations.	*Perpetual*
	Zero (0) incidents of non-compliance.	*Perpetual*
Emission	To achieve a less than 10% increase in GHG emissions in Scope 1 and Scope 2	*Short-term*
	Aim to maintain GHG emission in scope 1 and scope 2 at the level of FY2022, which is the base year	*Medium-term*
	To achieve net-zero carbon emissions by FY2050	*Long-term*
Energy	To achieve a less than 5% increase in energy consumption	*Short-term*
	To use 5% of green energy	*Medium-term*
	To use 10% of green energy	*Long-term*
Material Reuse and Waste	To achieve 90% re-utilisation rate of steel inventory for all projects	*Perpetual*
Water and Effluents	To achieve a less than 5% increase in water consumption	*Short-term*
	Aim to maintain water consumption intensity at the level of FY2022, which is the base year	*Medium-term and Long-term*
SOCIAL		
Innovation and Product Quality	To achieve zero non-compliance with health and safety impacts of products	*Perpetual*
Training and Education	To achieve at least an average of four (4) training hours per employee (based on budgeted training cost at 1% of profit before tax per annum, estimated training cost per hour and number of total employees)	*Perpetual*

Material ESG Topics	Targets and Commitments	Time Horizon
Occupational Health and Safety	To achieve zero (0) major safety incidents or fatalities To achieve zero (0) incidents of social non-compliance To achieve zero (0) incidents of social non-compliance by major suppliers	*Perpetual*
CSR	To achieve zero (0) incidents of public relations crisis	*Perpetual*
GOVERNANCE		
Corporate Governance	To achieve zero (0) incidents of non-compliance with SGX-ST listing rules or the Code of Corporate Governance. To achieve zero (0) reported corruption/significant whistleblowing reports. To achieve zero (0) incidents of significant tax-related non-compliance.	*Perpetual*

Note:
**Short-term (< 1 year, <FY2025), Medium-term (2 – 5 years, FY2026 – FY2029), Long-term (>5 years, >FY2030)*

SUSTAINABILITY PERFORMANCE UPDATE

Blow table summarises the Group's sustainability performance updates in FY2024.

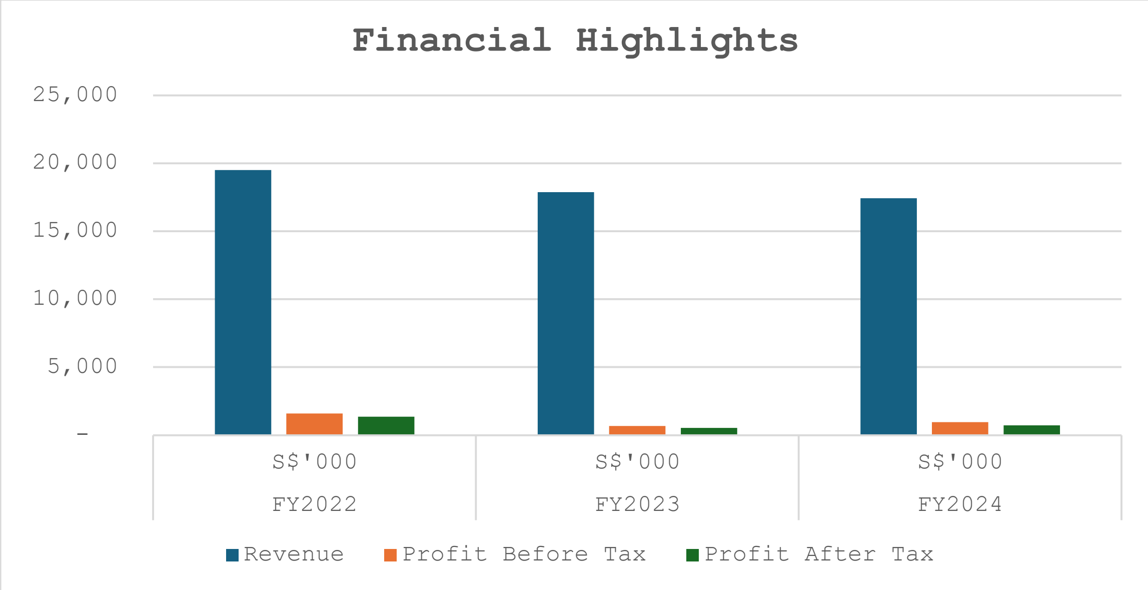
Pillars	Material ESG Topics	Target and Commitment FY2024	Performance Update FY2024
Economic Performance	Financial Highlight	To manage operational costs effectively	Profit after tax increased by 44.8%, despite total revenue decreasing slightly by 2.4% from FY2023
Environment (Climate-related disclosure)	Energy	*Short-term*: not set	Increased by 2.1% from FY2023
	GHG Emission (scope 1 and 2)	*Short-term*: to achieve a 5% reduction in GHG emissions	Not met. Increased by 19.0% from FY2023
	Material Reuse and Waste	To achieve 99% reutilisation rate of steel inventory for all projects	Not met. Steel re-use rate was 93.6% in FY2024
	Water and Effluents	*Short-term*: not set	Increased by 4.9% from FY2023
	Supplier Environment Assessment	To achieve zero incidents of environmental non-compliance by major suppliers	Achieved
Social	Innovation and Product Quality	To achieve zero non-compliance with health and safety impacts of products	Achieved
	Training and Education	To achieve at least an average of 11 training hours per employee	Training per employee was 7 hours in FY2024
	Occupational Health and Safety	To achieve zero major safety incidents or fatalities To achieve zero incidents of social non-compliance To achieve zero incidents of social non-compliance by major suppliers	Achieved
	CSR	To achieve zero incidents of public relations crisis	Achieved
Governance	Corporate Governance	To achieve zero incidents of non-compliance with SGX-ST listing rules or the Code of Corporate Governance To achieve zero reported corruption/significant whistleblowing reports To achieve zero incidents of significant tax-related non-compliance	Achieved

Note:
**Short-term (< 1 year, <FY2024), Medium-term (2 – 5 years, FY2025 – FY2028), Long-term (>5 years, >FY2029)*

More details on our sustainability performance in FY2024 are discussed in the following sections.

ECONOMIC PERFORMANCE

FINANCIAL HIGHLIGHTS



Performance Indicator	FY2022 (S$'000)	FY2023 (S$'000)	FY2024 (S$'000)
Direct Economic Value Generated (Revenue)	19,494	17,871	17,442
Gross Profit	6,823	5,231	5,061
Profit Before Tax	1,594	669	968
Payment to Providers of Capital (Dividend)	Nil	Nil	Nil
Income Tax	(239)	(146)	(253)

Economic Performance provides a basic indication of how the Group has created wealth for stakeholders. Several components of the economic value generated and distributed also provide an economic profile of the Group. This topic is determined to be with high importance to the stakeholders and Group, impacts regardless positive or negative would affect all stakeholders ranging from suppliers and subcontractors, customers, employees, shareholders and investors.

The Group has always acted in the best interests of the shareholders and stakeholders, striving to improve its economic performance.

Please refer to the Group's AR 2024 for detailed analysis and commentary of financial performance. In FY2024, the Group received government grant income from the Singapore government, aimed at providing financial assistance. These grants include the Productivity and Innovation Project (PIP) grant from BCA, Training Grant, SkillsFuture, Jobs Growth Incentive, Senior Employment Credit, Childcare and other employment grants.

CLIMATE-RELATED DISCLOSURES

The Group recognises that climate change poses a number of physical risks (e.g., increased frequency and severity of extreme weather events) and transition-related risks (e.g., economic, technology or regulatory challenges related to moving to a greener economy) for our businesses. We aim to fully align with IFRS S1 and S2 by the financial year ending 31 December 2025.

Governance

The Board has oversight of the Group's sustainability strategy including its formulation and reviews the disclosures relating to climate-related risk and opportunities ("**CRROs**") and its actions to enhance climate resilience. The STF is responsible for developing goals, plans and performance metrics and to manage and monitor the overall climate-related sustainability performance. STF is established to assist and report to the Board to fulfil the roles and responsibilities to identify, evaluate, assess, monitor, and manage all CRROs (refer to our STF Structure on pages 7 and 8 of this Report for details).

The Group has complied with the requirements of Rule 720 (6) of the SGX-ST Catalist Rules, which stipulate that all directors must undergo mandatory training. All members of the Board have completed sustainability training courses provided by the Singapore Institute of Directors.

Strategy

The Group has identified several CRROs that could significantly impact its operations. These were initially identified and rated by the STF during the risk assessment exercise in FY2024 and will be reviewed annually by the STF. The STF comprises of heads or key personnel from each department and major projects, hence the identified risks can be communicated to the respective teams and actively monitored and managed.

For FY2024, the identified physical and transition risks are assessed between two timeframes: Year 2030 for the medium-term and Year 2050 for the long-term. The selected timeframes are aligned with Singapore's national decarbonisation goals.

Key considerations include physical risks, such as damage from extreme weather events, as well as transition risks arising from changes in policies, legal requirements, technology, and market trends. These risks have substantial implications for the Group's business operations, strategy, and financial planning. At the same time, evolving market conditions, technological innovations, and growing consumer preference for sustainable products present new business opportunities. The following is a climate-change scenario analysis through which the Group has identified and managed its CRROs:

Scenario	Paris-aligned scenario (Below 2°C)	No mitigation scenario (4°C)
Description	▪ The world manages to reduce Carbon dioxide equivalents ("**CO_2e**") emissions through several measures.	▪ The world fails to curb rising CO_2e emissions by Year 2100 and impacts from extreme weather events are assumed to grow in magnitude.
Rationale	▪ Evaluating the transitional impacts within an economy transitioning to a low-carbon world, reflecting the measures required to limit global warming to below 2°C.	▪ Evaluating the physical risks under a high-emission scenario, consistent with a future where policy changes to reduce emissions are limited.

Scenario	Paris-aligned scenario (Below 2°C)	No mitigation scenario (4°C)
Underlying model	▪ This model considers factors such as greenhouse gas emissions and policy developments, which serve as a foundation for the Group to analyse how different climate scenarios may impact its business operations and strategy over the short, medium, and long-term time horizons.	▪ This model considers factors such as the increased frequency of extreme weather events and rising mean temperatures. Climate models and scientific assessments play a key role in shaping the narrative of such scenarios.
Assumptions	▪ Global adoption of renewable energy, advancements in technology, regulatory frameworks, and changes in consumer behaviour. ▪ Assumptions related to the physical impacts of climate change, such as mean temperature rise and extreme weather events. ▪ Collective global effort to mitigate climate change and transition towards a low-carbon economy.	▪ Continuation of high greenhouse gas emissions and a lack of climate policy. ▪ Limited technological advancements in clean energy and low levels of international cooperation to achieve climate goals.

Below table illustrated the summary of climate risk rating:

Type of Climate-Related Risk	Likelihood	Impact	Overall Risk Rating
Extreme heat	4	3	12
Rising sea level	3	3	9
Technology	2	4	8
Policy & Legal	5	2	10
Reputation	4	2	8
Market	3	3	9

Physical risk

Chronic and acute physical risks were assessed to have the biggest impact on our businesses in the mid to long term, considering most of our operations are outdoors and are susceptible to climatic conditions. The mitigation measures could result in higher operating expenses and damages and the need for redundant work despite mitigation will further push up costs.

More sheltered rest points have been provided on site and more “water parades” are promoted to help workers deal with the higher temperature. Site productivity is affected in such hot weather, which the Group’s revenue may be adversely affected resulting in loss of care or increase in absenteeism (e.g., health, safety, absenteeism).

In terms of policy risk, the lag in the revision of construction contracts to account for chronic, adverse climatic events is deemed as relatively high risk in the long term.

Transition risk

The Group expects that the laws and regulations related to climate change will become more stringent and more demanding, with developments such as more aggressive government policies and measures to limit GHG emissions, in addition to carbon taxes.

As a result, the Group may be exposed to legal risks and compliance requirements which in turn may lead to higher operating and compliance costs.

<u>Opportunities</u>

With the increased awareness of climate change, our stakeholders may prefer products and services that are less damaging to the environment. As a result, the transition to a low-carbon business model using new technologies and more renewable energy sources can bring opportunities. If the Group is able to adopt more environmentally friendly practices in its operations, the Group may be able to seize more business opportunities from customers who recognise the Group's environmental initiatives, whilst achieving our emissions reduction to become net-zero or carbon neutral by 2050. Civil infrastructure projects related to environmental protections might also create new construction project opportunities.

Risk Management

ESG risk assessments and management form part of the Group's enterprise risk management ("**ERM**") framework. The Group's risk management process consists of identification, assessment, formulation of mitigation measures followed by communication and implementation, and then monitoring and reviewing. The process takes into consideration both the impact and likelihood of the risks identified.

We adopt a precautionary approach in strategic decision and day-to-day operation by implementing a comprehensive ERM framework. In FY2024, the STF updated the risk assessment, the Group confirmed and acknowledge the existence of ESG risks, especially climate change, which would affect its financial performance, efficiency, strategy, reputation, and long-term prospect of the Group.

The STF carries out the corresponding actions to manage the climate-related risks. We continuously update ourselves on climate-related risks, be it physical or transition, and on climatic events affecting our businesses.

Metrics and targets

The STF considers the alignment with the Paris Agreement by targeting to cap temperature increment by 1.5°C Celsius degree is important and could be achievable with the joint efforts of industrialised nations. We will continue to explore ways to cut down on emissions and improve the Group's resilience to the impact of climate change.

We are currently in the process of developing a decarbonisation strategy and assessing our available capital for it. We aim to achieve net-zero for Scope 1 and 2 emissions by 2050, with an interim target of maintaining total emissions at FY2023's level, which is set as the baseline. This goal will be supported by sustainable business practices, energy-efficient designs, and the adoption of low-carbon construction materials. Annual progress monitoring will ensure alignment with the Group's sustainability commitments.

Scope 1 GHG emission focuses on emissions under direct control, while Scope 2 GHG emission involves influencing emissions through energy choices. Scope 3 entails collaboration with suppliers to address emissions across the value chain. This holistic approach enables informed decision-making and targeted actions to combat climate change effectively. The Group remains committed to scope 1 and 2 GHG emission reporting in FY2024.

ENERGY AND EMISSION (GRI 302 & GRI 305)

Scope 1 emissions (GRI 305-1)

Scope 1 emissions, integral to our environmental impact assessment, primarily stem from direct GHG emissions from our steel precast factory operations. These emissions result from the combustion of diesel fuel utilised to power generators and machinery essential for our manufacturing processes. As a cornerstone of our sustainability endeavours, we meticulously monitor and analyse these emissions to identify opportunities for reduction and optimisation. By addressing Scope 1 emissions, we aim to mitigate our environmental footprint while fostering more sustainable practices throughout our operations, thus aligning with our commitment to environmental stewardship and corporate responsibility.

The Group is dedicated to operating sustainably and reducing the carbon footprint across its operations, particularly in steel production, which is known for its high energy demands. Energy consumption, a key indicator of operational efficiency, is closely monitored.

Scope 2 emissions (GRI 305-2)

Scope 2 emissions represent the indirect GHG emissions resulting from the consumption of purchased electricity within our corporate office and workers' dormitory facilities. These emissions stem from electricity generation by external providers, which is subsequently utilised to power various operations and activities within our facilities. Our commitment to sustainability drives us to closely monitor and manage these Scope 2 emissions, recognising their significant role in our overall environmental impact. By implementing energy-efficient technologies, optimising usage patterns, and exploring renewable energy sources, we strive to reduce our reliance on conventional electricity and minimise associated emissions. Additionally, fostering a culture of energy conservation and awareness among employees contributes to our efforts in mitigating Scope 2 emissions. Through these initiatives, we aim to enhance operational efficiency, decrease environmental footprint, and reinforce our dedication to sustainable business practices and environmental stewardship.

GHG Intensity (GRI 305-4)

GHG intensity, measure GHG emissions produced per unit of output or activity, serving as a vital gauge of environmental impact. Kori utilises this metric to pinpoint opportunities to reduce its carbon footprint and advance sustainable practices. The Group prioritises energy efficiency enhancements, including optimising energy usage and planning to transit to renewable energy sources like solar power. Given the urgency of climate change, mitigating the intensity of emissions is paramount to curbing global warming. Kori aims for a sustainable, low-carbon future through efficient energy practices, clean technologies, waste management, and ambitious emission reduction goals. Collaborative efforts among stakeholders, including businesses, policymakers, and individuals, are pivotal in combating climate change and fostering environmental resilience.

Energy Consumption (GRI 302)

Performance Indicator	**FY2022**	**FY2023**	**FY2024**
Petrol/Diesel consumption (litre)	192,600	174,535	221,100
Electricity consumption (kWh)	61,728	45,143	46,110
Electricity consumption intensity (kWh / S$1,000 of revenue earned)	3.17	2.53	2.64

GHG Emissions

Performance Indicator	FY2022	FY2023	FY2024
Scope 1 emissions ($kgCO_2e$)	558,541	506,152	605,657
Scope 2 emissions ($kgCO_2e$)	25,728	18,816	18,997
Total GHG emissions ($kgCO_2e$)	582,269	524,968	624,654
GHG emissions intensity ($kgCO_2e$ / S$1,000 of revenue earned)	29.87	29.38	35.81

The emission computations are based on emission factors cited below:

Item	Emission Factor	Unit	Source
Electricity Grid Emission Factor 2023	0.412	$KgCO_2$/kWh	Energy Market Authority, Singapore
CO_2 Emission Factor for diesel consumption	3196.749	$KgCO_2$/tonne	Singapore Emission Factors Registry

In FY2024, the Group's overall emissions intensity increased mainly due to higher fuel consumption alongside reduced revenue generation. The rise in consumption was primarily attributed to preparatory construction activities, including site setup, equipment mobilisation, and off-site fabrication in anticipation for the Group's upcoming projects in 2025. These activities and resources consumption generated emissions will not coincide with the financial year when revenue is recognised. Accordingly a year-on-year comparison of the Company's FY2024 GHG emissions intensity may not be meaningful.

At the same time, construction revenue recognition can be adversely affected by project delays, lower billing volumes, and extended construction timelines. This decoupling of emissions from revenue led to an elevated emissions intensity (measured as emissions per unit of revenue), despite efforts to maintain operational efficiency.

Moving forward, we aim to mitigate this trend by improving energy efficiency across preparatory phases, reducing idling time, optimizing fleet usage, and exploring lower-emission fuels and equipment so at to align our resource deployment more closely with revenue-generating activities.

WATER USAGE (GRI 303)

The Group acknowledges the significance of water management, particularly in water-scarce Singapore. We adhere to responsible water management practices to benefit stakeholders through water and cost savings. We draw water from Public Utilities Board's utility network and utilise it in our employees' dormitory and corporate office operations. Most withdrawn water is allocated for daily sanitation, with minimal usage in our steelworks' fabrication. The Group diligently monitors water withdrawal and discharge to comply with local regulations.

All work premises are equipped with water dispensers, enabling staff to conveniently refill their bottles and glasses, thereby minimizing reliance on single-use plastic containers.

Water Consumption

Performance Indicator	FY2022	FY2023	FY2024
Water consumption (m^3)	515	427	448
Water consumption intensity (m^3 / S$1,000 of revenue earned)	0.026	0.024	0.026

MATERIAL REUSE AND NON-HAZARDOUS WASTE (GRI 301 & GRI 306)

Our steelworks fabrication occurs offsite in controlled and secure factory settings, leveraging design and fabrication systems to produce precision-engineered components while minimising waste. These steel struts, varying in sizes and lengths, adhere to diverse project requirements and specifications. The Group prioritises resource conservation and environmental stewardship by implementing practices that facilitate steel material reuse in subsequent projects post-dismantling. This strategic reuse approach has significantly bolstered our competitive edge within the industry, particularly amid recent global supply chain disruptions and fluctuating steel prices. Despite the higher cost associated with “green” steel procurement from Europe, the Group has initiated purchases to integrate environmentally sustainable materials into our inventory.

In FY2024, our steel fabrication processes consumed approximately 37,500 tonnes (FY2023: 38,000 tonnes) of steel. We achieved 93.6% (FY2023: 98.9%) reuse rate of our steel inventory across all projects, resulting in substantial cost and resource savings. This reuse rate surpasses the global steel recovery rates for construction sector which are estimated at least 85%[1]. Recycled steel (scrap) is a key input needed for all steelmaking process routes. Scrap acts as a cooling agent, absorbing excess heat from the exothermic decarbonisation process. Maximising scrap use helps reduce CO_2 emissions. The reuse of steel throughout the multi-year construction period of a project is dependent on specific project requirements and the work stages in the particular reporting year. Thus, a year-on-year comparison for steel reuse rate might be not meaningful.

In FY2024, several projects required custom-fabricated steel components or had design changes that rendered existing inventory unsuitable for reuse. Additionally, a portion of the recovered steel was damaged during dismantling and handling, necessitating replenishment of the steel inventory to meet project requirements.

We are committed to operational efficiency, environmental responsibility, and long-term sustainability goals by prioritising steel reuse and incorporating environmentally sustainable practices. These efforts reinforce our competitive position and underscore our dedication to mitigating environmental impacts associated with steel production and consumption. We remain steadfast in pursuing sustainable and responsible business practices through continuous innovation and strategic resource management.

Waste Generation (tonne)

Performance Indicator	**FY2022**	**FY2023**	**FY2024**
Total general waste generated (non-hazardous) [2]	31.2	30.8	10.4
Total steel waste generated (non-hazardous)	140.9	394.2	482.3
Total waste generated (non-hazardous)	**172.1**	**425.1**	**492.7**
Total waste diverted from disposal (offsite steel recycling)	140.9	394.2	482.3
Total waste directed to disposal (offsite waste-to-energy incineration)	31.2	30.8	10.4
Total weight of steel used/prefabricated (tonne)	39,000	38,206	37,505
Reuse of steel inventory (Material Reuse)	99.6%	98.9%	93.6%

(1) Data from World Steel Association AISBL, https://worldsteel.org/other-topics/raw-materials/
(2) Based on the weight recorded sent for incineration by Town Council waste collectors

SUPPLIER ENVIRONMENT ASSESSMENT (GRI 308)

In FY2024, Kori continued its comprehensive supplier assessment process, reflecting its unwavering commitment to supply chain environmental sustainability. Kori recognises the importance of developing an ESG-integrated supplier evaluation framework tailored to the unique characteristics of different supplier types. This framework incorporates a quantitative scoring methodology to address potential information constraints while providing a holistic supplier performance assessment. By integrating Environmental factors into the evaluation process, Kori ensures that environmental considerations are given due diligence alongside traditional performance metrics. Implementing such measures empowers Kori to make informed supplier selection and engagement decisions.

It enables the Group to identify partners who meet stringent safety and quality standards and demonstrate a genuine commitment to environmental sustainability and responsible business practices. Kori's supplier assessment initiatives ultimately exemplify its dedication to fostering a resilient and ethically driven supply chain. By prioritising environmental sustainability, and transparency in supplier relationships, Kori strengthens its capacity to mitigate risks, drive operational excellence, and uphold its corporate values in an increasingly complex business landscape.

Performance Indicator	FY2022	FY2023	FY2024
New suppliers that were screened using environmental criteria			
Total number of new suppliers in the reporting period	4	5	1
Number of new suppliers that were screened using environment criteria	4	5	1
Percentage of new suppliers that were screened using environment criteria (%)	100	100	100

SOCIAL

The Group is steadfastly committed to fostering an inclusive and discrimination-free workplace environment. Our adherence to fair employment practices ensures that gender or age is never a barrier to equal opportunities for all staff members, guaranteeing a steady pipeline of skilled employees across diverse demographics. Employee diversity catalyses driving positive change and fostering innovation throughout the Group.

EMPLOYMENT (GRI 401) AND DIVERSITY AND EQUAL OPPORTUNITY (GRI 405)

As of FY2024, our workforce comprises 171 employees, with 162 males and 9 females employed on a permanent, full-time basis. None of our employees are covered by collective bargaining agreements. Despite the construction industry's predominantly male demographic, we remain dedicated to maintaining and enhancing our workforce diversity. The geographical, gender, and age distribution of our employees in FY2024 is illustrated in the table and charts below, highlighting our ongoing commitment to transparency and accountability in our workforce management practices.

The Company is pragmatically in the process of improving the gender balance within our workforce, striving to enhance the representation of females across all levels and functions within the organisation. By actively promoting gender diversity and inclusion initiatives, we aim to create an environment where every employee feels valued, respected, and empowered to contribute to the Group's success.

Our efforts to promote diversity and inclusion extend beyond gender representation, encompassing various dimensions of diversity, including age, ethnicity, and background. By fostering a culture of inclusion and belonging, we harness our diverse workforce's collective strengths and perspectives to drive innovation, creativity, and sustainable growth across the organisation.

In conclusion, our unwavering commitment to diversity, equity, and inclusion underscores our dedication to creating a workplace where every individual has the opportunity to thrive and realise their full potential. Through continuous investment in diversity initiatives and proactive measures, we are laying the foundation for a more inclusive and equitable future for all employees within the Group.

Employees	**FY2022**	**FY2023**	**FY2024**
By Gender			
Male	165	139	162
Female	9	9	9
By Nationality			
Singaporean	15	14	14
Malaysian	27	25	24
Indian	35	28	53
Bangladeshi	30	35	37
Thailand	58	35	30
Myanmar	7	9	11
China	2	2	2
Others	0	0	0
By Age Group			
Under 30 Years Old	*	15	26
30 – 50 Years Old	*	85	98
Over 50 Years Old	*	48	47
Total Workforce	**174**	**148**	**171**

Employees Diversity	FY2022	FY2023 (Reported)	FY2023 (Restated)	FY2024
Senior Management				
By Gender				
Male (headcount and %)	* (63%)	2 (50%)	2 (50%)	6 (75%)
Female (headcount and %)	* (37%)	2 (50%)	2 (50%)	2 (25%)
By Age Group				
Under 30 Years Old (headcount and %)	0 (0%)	0 (0%)	0 (0%)	0 (0%)
30 – 50 Years Old (headcount and %)	* (63%)	3 (75%)	3 (75%)	4 (50%)
Over 50 Years Old (headcount and %)	* (37%)	1 (25%)	1 (25%)	4 (50%)
Middle Management				
By Gender				
Male (headcount and %)	* (92%)	21 (91%)	21 (91%)	21 (91%)
Female (headcount and %)	* (8%)	2 (9%)	2 (9%)	2 (9%)
By Age Group				
Under 30 Years Old (headcount and %)	* (4%)	0 (0%)	1 (4%)	1 (4%)
30 – 50 Years Old (headcount and %)	* (71%)	17 (74%)	17 (74%)	17 (74%)
Over 50 Years Old (headcount and %)	* (25%)	6 (26%)	5 (22%)	5 (22%)
Other Employees				
By Gender				
Male (headcount and %)	* (92%)	112 (96%)	112 (96%)	135 (96%)
Female (headcount and %)	* (8%)	5 (4%)	5 (4%)	5 (4%)
By Age Group				
Under 30 Years Old (headcount and %)	* (4%)	14 (12%)	14 (12%)	25 (18%)
30 – 50 Years Old (headcount and %)	* (71%)	65 (56%)	69 (59%)	81 (58%)
Over 50 Years Old (headcount and %)	* (25%)	38 (32%)	34 (29%)	34 (24%)

**Data was not illustrated in the FY2022 Sustainability report*

New Employee Hires Distribution

New Employee Hires	FY2022	FY2023	FY2024
by Gender			
Male (headcount and %)	34 (19.5%)	23 (15.5%)	61 (35.7%)
Female (headcount and %)	0 (0.0%)	0 (0.0%)	0 (0.0%)
by Age Group			
Under 30 Years Old (headcount and %)	7 (4.0%)	9 (6.1%)	18 (10.5%)
30 – 50 Years Old (headcount and %)	26 (14.9%)	14 (9.5%)	41 (24%)
Over 50 Years Old (headcount and %)	1 (0.6%)	0 (0.0%)	2 (1.2%)
by Nationality			
Singaporean (headcount and %)	*	1 (0.7%)	0 (0.0%)
Malaysian (headcount and %)	*	0 (0.0%)	3 (1.75%)
Indian (headcount and %)	*	4 (2.7%)	39 (22.8%)
Bangladeshi (headcount and %)	*	9 (6.1%)	15 (8.8%)
Thailand (headcount and %)	*	4 (2.7%)	1 (0.6%)
Myanmar (headcount and %)	*	5 (3.4%)	3 (1.75%)
Others (headcount and %)	0 (0.0%)	0 (0.0%)	0 (0.0%)
Total New Employee Hires (headcount)	**34**	**23**	**61**
Overall new employee hires rate	**19.5%**	**15.5%**	**35.7%**

**Data was not illustrated in the FY2022 Sustainability report*

The new hire rate has been computed based on the employee headcount at the end of each respective reporting period.

Employee Turnover Distribution

Employee Turnover	**FY2022**	**FY2023**	**FY2024**
by Gender			
Male	40 (23.0%)	49 (33.1%)	38 (22.2%)
Female	0 (0.0%)	0 (0.0%)	0 (0.0%)
by Age Group			
Under 30 Years Old	3 (1.7%)	3 (2.0)	5 (2.9%)
30 – 50 Years Old	29 (16.7%)	33 (22.3%)	25 (14.6%)
Over 50 Years Old	8 (4.6%)	13 (8.8%)	8 (4.7%)
by Nationality			
Singaporean	*	2 (1.4%)	1 (0.6%)
Malaysian	*	2 (1.4%)	3 (1.8%)
Indian	*	11 (7.4%)	14 (8.2%)
Bangladeshi	*	4 (2.7%)	13 (7.6%)
Thailand	*	27 (18.2%)	6 (3.5%)
Myanmar	*	3 (2.0%)	1 (0.6%)
Others	*	0 (0.0%)	0 (0.0%)
Total Resignations	**40**	**49**	**38**
Overall employee turnover rate	**23.0%**	**33.1%**	**22.2%**

The employee turnover rate has been computed based on the employee headcount at the end of each respective reporting period.

The Group maintains a diverse workforce in terms of nationality, with a predominant representation from the Asia Pacific region, showcasing its global outreach and inclusivity. However, the gender distribution within the workforce continues to lean heavily towards males, highlighting the industry's prevailing trend. Efforts to bolster gender diversity persist as part of the Group's commitment to fostering an inclusive work environment where individuals of all genders feel valued and empowered. The Group aims to create a more balanced workforce through targeted initiatives and inclusive hiring practices that give equal opportunity to all employees.

We recognise the valuable contribution by our employees. On top of competitive salaries and performance-based bonuses, employees of Kori are entitled to a range of benefits including workmen compensation insurance, group personal accident insurance, medical and healthcare benefits as well as hospitalisation leave.

We also support the government's pro-family policies and follow regulations implemented by the Ministry of Manpower regarding parental and childcare leave. The table below provides more information on the Group's parental leave metrics.

FY2024	**Male**	**Female**
Total number of employees that were entitled to parental leave	1	3
Total number of employees that took parental leave	1	3
Total number of employees that returned to work in the reporting period after parental leave ended	1	3
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	1	3
Return to work rate of employees that took parental leave	100%	100%
Retention rate of employees that took parental leave	100%	100%

TRAINING AND DEVELOPMENT (GRI 404)

Participating in certification courses like the Building Construction Supervisor Safety Course can greatly benefit Kori. Firstly, these courses enhance the competency and awareness of Kori's staff in construction safety protocols and best practices. By empowering employees with accredited qualifications, Kori ensures that its workforce possesses the necessary skills and knowledge to execute their tasks safely and efficiently. Moreover, investing in staff training demonstrates Kori's commitment to maintaining a high standard of safety proficiency across its workforce. This minimises the risk of workplace accidents and injuries and promotes a culture of safety within the organisation.

Additionally, Kori's stringent criteria for evaluating contractors and suppliers based on their safety practices ensures that the supply chain adheres to exemplary safety standards. By prioritising partnerships with entities that prioritise safety, Kori mitigates the risk of accidents and incidents during construction projects. Participating in certification courses and maintaining stringent safety criteria for contractors and suppliers aligns with Kori's commitment to prioritising safety in its operations. This proactive approach not only safeguards the well-being of its employees but also enhances Kori’s reputation and credibility as a responsible and safety-conscious organisation within the construction industry. Effective training programs play a pivotal role in improving productivity and reducing accidents in the workplace. By providing comprehensive training sessions, employees gain the necessary skills, knowledge, and awareness to perform their tasks safely and efficiently. Training initiatives focus on educating workers about potential hazards, safety protocols, and best practices relevant to their roles and responsibilities. Through these programs, employees become adept at identifying and mitigating risks, leading to a safer work environment and fewer workplace accidents.

Moreover, well-trained employees can handle tasks with greater precision and effectiveness, improving productivity. Training fosters a culture of safety consciousness and accountability among employees, encouraging them to adhere to safety guidelines and take proactive measures to prevent accidents.

Performance Indicator	**FY2022**	**FY2023**	**FY2024**
Total training hours provided to employees	1,812	1,533	1,204
Average Hours of Training per Employee*	10.4	10.4	7.0
Average Hours of Training per Employee, by Employee Category			
Average hours of training - Male	11.0	11.0	7.0
Average hours of training - Female	0	0	0
Average Hours of Training per Senior Management	5.3	23.5	0.8
Average Hours of Training per middle management	3.4	22.0	5.6
Average Hours of Training per other employee	12.1	8.0	7.6

**On-job training hours were not included in this record.*

The Group is committed to allocating budget and planning skills upgrading to equip employees to meet strategic targets of the Group. In FY2024, the budget spent on training for the Group totalled to S$10,447 (FY2023: S$18,214), in view of more new hires are skilled workers and lower employee turnover rate in FY2024. The total training hours provided to employees (exclude on-job training) in FY2024 has been reduced to 1,204 hours.

Average training hour per senior and middle management has been substantial reduced as compared to FY2023 as they have been sent for extensive trainings in FY2023 which was one-off in nature.

We believe that with more skilled employees, Kori’s human capital and contribution to employees’ satisfaction will be enhanced, which will undoubtedly improve overall performance.

With this, Kori adopts various skill upgrading programmes with the objective of assisting to provide the upgrading of employees' skills and to facilitate continued employability. These internal and external programmes include the following:

Item	Name of Programme	Descriptions
1	Apply Workplace Safety and Health ("**WSH**") in Construction Site	Mandatory training programme for workers of the construction industry.
2	Workforce Skills Qualifications ("**WSQ**") Supervise Safe Lifting Operations	Training for supervising of safe lifting operations.
3	Supervise Construction Work for WSH ("**SCWWSH**")	Knowledge and skills to supervise WSH in the construction industry.

Performance and career development review of employees is performed during the performance appraisal process. This review is conducted on an annual basis whereby it provides a platform for two-way communication and engagement between supervisors and subordinates to assess the performance of the employee. It also serves as a vehicle for supervisors to highlight the strengths of employees and encourage them to continue to pursue excellence.

In FY2024, all employees received performance appraisal and career development review.

INNOVATION (GRI 203) AND PRODUCT QUALITY (GRI 416)

The Group's commitment to innovation is integral to its journey towards sustainability. It drives the continuous monitoring, development, and implementation of technology in its operations. This focus aims to enhance productivity while reducing material usage, underpinning the Group's dedication to responsible business practices.

For example, on product innovation, the Group has garnered expertise in steel decking works, culminated from the creation of Kori Large Panelling Traffic Decking System. Supported by the Building and Construction Authority's Productivity Innovation Project, this system represents a breakthrough in temporary traffic diversion platforms tailored to Singapore's infrastructure needs. The system facilitates more efficient and stable decking works by employing rugged grid-pattern beam sections, offering significant improvements over conventional methods. The system's modular design notably enhances cost savings and resource efficiency, exemplifying the Group's commitment to sustainable solutions.

Furthermore, the Group's proactive adoption of technology extends to digital advancements and Design for Manufacture and Assembly ("**DfMA**") methodologies. Early adoption of Integrated Digital Delivery (**IDD**) and DfMA underscores its alignment with industry transformation initiatives, enhancing collaboration and streamlining construction processes. DfMA, in particular, revolutionises construction by prefabricating components off-site, reducing construction time, improving workmanship, and minimising community disruptions, which provide significant indirect economic impacts to our stakeholders and the economy.

In tandem with innovation, the Group prioritises product quality and safety by conducting assessment of the health and safety impacts of its product and service. Rigorous assessments ensure that steelworks meet or exceed customer expectations while adhering to stringent health and safety standards. With a commitment to sourcing steel from reputable traders, the Group upholds its responsibility to provide reliable, non-hazardous products that safeguard end-user well-being.

In FY2024, the Group assessed the health and safety impacts of all of our steelworks for improvements and there were no incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of our steelworks.

SUPPLIER SOCIAL ASSESSMENT (GRI 414)

Since FY2023, Kori also embarked on a comprehensive supplier social assessment process, reflecting its unwavering commitment to supply chain safety and sustainability to enhance the social pillar. The assessments were meticulously conducted for all new suppliers, highlighting the Group's proactive stance towards risk management and occupational health and safety. This diligent approach ensures regulatory compliance and safeguards the well-being of employees and partners throughout the supply chain. The assessment process encompasses a multifaceted strategy to promote ESG principles within supplier relationships. Site inspections and collaborative site meetings are pivotal in evaluating suppliers' adherence to established safety protocols and sustainability standards. These interactions facilitate open dialogue and enable Kori to gain valuable insights into suppliers' operational practices and commitment to social criteria.

Performance Indicator	**FY2023**	**FY2024**
Number of suppliers assessed for social impacts	0	0
The number of suppliers identified as having significant actual and potential negative social impacts.	0	0
Please list significant and potential negative social impacts identified in the supply chain.	NA	NA
Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of the assessment.	0	0
Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated due to assessment and why.	0	0

OCCUPATIONAL HEALTH AND SAFETY (GRI 403)

The Group's dedication to safety underscores its commitment to providing a secure work environment for all stakeholders. Health and safety policies, governed by a specialised Safety Committee, undergo regular scrutiny and enhancement to align with best practices. As a testament to its commitment, the Group's Occupational Health and Safety (OHS) management system holds ISO 45001 certification, reflecting adherence to global standards. The Group identifies potential hazards through systematic risk assessments and feedback mechanisms and implements preventive measures to mitigate risks effectively.

Certification courses, such as the Supervise Construction Work for WSH, serve as foundational pillars in enhancing staff competency and awareness. By empowering employees with accredited qualifications, the Group ensures a high standard of safety proficiency across its workforce. Moreover, the Group maintains stringent criteria for evaluating contractors and suppliers, prioritising partnerships with entities that uphold exemplary safety practices.

Through continuous improvement and stakeholder engagement, the Group cultivates a culture of safety that permeates every aspect of its operations. By prioritising safety as a core value, the Group mitigates risks and fosters a conducive work environment where employees feel valued, respected, and protected. This unwavering commitment to safety underscores the Group's ethos of responsibility and integrity, serving as a beacon of excellence in the industry.

The Group treats all workplace incidents with utmost importance and priority. All employees are entitled to workplace accident insurance which ensures employees' access to health and medical services in the event of an occupational health accident. To minimise workplace incidents, the Group has implemented an incident investigation policy and procedure to determine the necessary corrective actions and improvements. In FY2024, there were no major work-related injuries and incidents at our worksites and among our suppliers. The Group's performance for OHS is presented in the table below.

Performance Indicator	FY2022	FY2023	FY2024
For all employees			
Total number of hours worked	578,478	488,805	**529,895**
Number and rate of fatalities as a result of work-related injury	0	0	0
Number and rate of high-consequence work-related injuries (excluding fatalities)	0	0	0
Number and rate of recordable work-related injuries	0	0	0
Number and rate of fatalities as a result of work-related ill health	0	0	0
Number and rate of recordable work-related health	0	0	0
For all workers who are not employees but whose work and workplace is controlled by the organisation, e.g. contractors, sub-contractors			
Number and rate of fatalities as a result of work-related injury	0	0	0
Number and rate of high-consequence work-related injuries (excluding fatalities)	0	0	0
Number and rate of recordable work-related injuries	0	0	0
Number and rate of fatalities as a result of work-related ill health	0	0	0
Number and rate of recordable work-related health	0	0	0

CORPORATE SOCIAL RESPONSIBILITY (GRI 413)

The Group's ethos is rooted in the conviction that it should contribute positively to the communities and markets in which it operates. This commitment extends to actively giving back to society and minimising any adverse effects stemming from its operations. Regarding societal contributions, the Group is unwavering in its dedication to being a responsible corporate citizen. Recognising that community engagement is fundamental to business sustainability, the Group prioritises initiatives to benefit society. One avenue through which the Group engages with the community is by participating in discussions on industry and workforce developments. This engagement occurs through prominent media outlets such as the Straits Times and the Business Times, where the Group's management offers insights and perspectives. By sharing its experiences and practices regarding foreign worker engagement and workplace health and safety, the Group seeks to foster broader awareness and dialogue on these critical issues.

Moreover, the Group consistently demonstrates its commitment to community support through regular donations for events such as community prayer gatherings. These contributions underscore the Group's dedication to being an active and supportive member of the communities in which it operates. Through these efforts, the Group fulfils its corporate social responsibility, strengthens its relationships with stakeholders, and enhances its reputation as a socially conscious organisation. By prioritising community engagement and support, the Group reinforces its role as a positive force for societal progress and development.

The laws and regulations that are applicable to the Group include the Code of Corporate Governance 2018, Catalist Rules of the SGX-ST and the Securities and Futures Act 2001, amongst others.

Our employees, secretarial firm and auditors regularly conduct reviews of new regulations and updates to existing regulations. Updates are disseminated to relevant staff and processes are in place to monitor the activities and associated performance on a regular basis.

Additionally, updates on relevant legal, accounting and regulatory developments are typically provided to Directors by email, or by way of briefings and presentations. The Company Secretary also circulates articles, reports and press releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority which are relevant to the Directors.

ANTI-CORRUPTION (GRI 205)

The Group takes a strong stance against corruption and malpractice and does not tolerate any impropriety, statutory non-compliance or wrongdoing by employees in their work. In line with our Code of Conduct, we strictly prohibit any acts by employees from using their position to obtain advantages for themselves.

The Group is strongly committed to a high legal and moral standard in all our business activities. We have adopted a Personnel Policy to place emphasis on high standards of professionalism and ethics. All employees are required to read, understand and agree to comply with the purposes and provisions of the Personnel Policy. Employees are held liable for their failure to comply which may result in disciplinary actions. The severity of these disciplinary actions depends on circumstances and the gravity of the misconduct.

There were no reported incidents of corruption in FY2024.

WHISTLE-BLOWING

The Audit Committee has developed and approved whistleblowing procedures outlining their responsibilities and procedures to receive certain complaints and allegations. Employees of the Group and any other persons may, in confidence, raise concerns about possible improper financial reporting or other matters to Chairman of Audit Committee, CEO or Administration Manager. The objective of such arrangements is to ensure independent investigations of such matters and for appropriate follow-up actions. Contact details of the Audit Committee are available on our website.

There were no whistle-blowing reports received by the Group during FY2024.

CUSTOMER PRIVACY AND DATA (GRI 418)

The Group has established "Data Protection Policy" to uphold our commitment to the protection of our customers' privacy and data. The policy governs the collection, handling and protection of our customers' personal information in a responsible manner, in accordance with the Personal Data Protection Act 2012. We have assigned Data Protection Officers to manage, protect and process customers' personal data.

There were no reported breaches in FY2024. The Group continues to improve our processes in place to ensure greater data privacy to maintain the confidence of our customers.

GRI CONTENT INDEX

Statement of use	Kori Holdings Ltd has reported the information cited in this GRI content index for FY2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location / Reason for omission
General disclosures		
GRI 2: General Disclosures 2021	2-1 Organisational details	SR: Page 5 and 6
	2-2 Entities included in the organisation's sustainability reporting	SR: Page 5
	2-3 Reporting period, frequency and contact point	SR: Page 4
	2-4 Restatements of information	SR: Page 4
	2-5 External assurance	SR: Page 4
	2-7 Employees	SR: Page 23 and 24
	2-9 Governance structure and composition	AR: Page 16 SR: Page 8
	2-10 Nomination and selection of the highest governance body	AR: Page 34
	2-11 Chair of the highest governance body	AR: Page 16
	2-12 Role of the highest governance body in overseeing the management of impacts	AR: Page 17
	2-13 Delegation of responsibility for managing impacts	AR: Page 21
	2-14 Role of the highest governance body in sustainability reporting	SR: Page 7
	2-15 Conflicts of interest	AR: Page 17
	2-16 Communication of critical concerns	SR: Page 9
	2-17 Collective knowledge of the highest governance body	AR: Page 19
	2-18 Evaluation of the performance of the highest governance body	AR: Page 41
	2-19 Remuneration policies	AR: Page 42
	2-20 Process to determine remuneration	AR: Pages 41 to 45
	2-21 Annual total compensation ratio	Not disclosed due to confidentiality and sensibility constraints.
	2-22 Statement on sustainable development strategy	SR: Page 3
	2-23 Policy commitments	SR: Page 3
	2-24 Embedding policy commitments	SR: Page 3
	2-25 Processes to remediate negative impacts	SR: Pages 9 and 10
	2-26 Mechanisms for seeking advice and raising concerns	SR: Pages 9 and 10
	2-27 Compliance with laws and regulations	SR: Page 4
	2-28 Membership associations	SR: Page 6
	2-29 Approach to stakeholder engagement	SR: Pages 9 and 10

GRI Standard	Disclosure	Location / Reason for omission
	2-30 Collective bargaining agreements	SR: Page 23
GRI 3: Material Topics 2021	3-1 Process to determine material topics	SR: Page 10
	3-2 List of material topics	SR: Page 11
	3-3 Management of material topic	SR: Pages 12 to 30
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	SR: Page 15 AR: Pages 65 to 124
	201-2 Financial implications and other risks and opportunities due to climate change	SR: Page 18
	201-3 Defined benefit plan obligations and other retirement plans	AR: Page 91
	201-4 Financial assistance received from government	SR: Page 15
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	SR: Pages 17 and 28
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	SR: Page 30
	205-2 Communication and training about anti-corruption policies and procedures	SR: Page 30
	205-3 Confirmed incidents of corruption and actions taken	SR: Page 30
GRI 301: Materials 2016	301-1 Materials used by weight or volume	SR: Page 20
GRI 302: Energy 2016	302-1 Energy consumption within the organization	SR: Page 19
	302-3 Energy intensity	SR: Page 19
GRI 303: Water and Effluents 2018	303-5 Water consumption	SR: Page 20
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	SR: Page 19
	305-2 Indirect (Scope 2) GHG emissions	SR: Page 19
	305-4 GHG emissions intensity	SR: Page 20
	305-5 Reduction of GHG emissions	SR: Page 20
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	SR: Page 21
	306-3 Waste generated	SR: Page 21
	306-5 Waste directed to disposal	SR: Page 21
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	SR: Page 21
	308-2 Negative environmental impacts in the supply chain and actions taken	SR: Page 22
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	SR: Pages 24 and 25
	401-3 Parental leave	SR: Page 25
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	SR: Page 28
	403-3 Occupational health services	SR: Page 28
	403-4 Worker participation, consultation, and communication on occupational health and	SR: Page 28

GRI Standard	Disclosure	Location / Reason for omission
	safety	
	403-5 Worker training on occupational health and safety	SR: Page 28
	403-6 Promotion of worker health	SR: Page 28
	403-8 Workers covered by an occupational health and safety management system	SR: Page 28
	403-9 Work-related injuries	SR: Page 29
	403-10 Work-related ill health	SR: Page 29
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	SR: Page 26
	404-2 Programs for upgrading employee skills and transition assistance programs	SR: Page 27
	404-3 Percentage of employees receiving regular performance and career development reviews	SR: Page 27
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	SR: Page 23
	405-2 Ratio of basic salary and remuneration of women to men	Not disclosed due to confidentiality and sensitivity constraints
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	SR: Page 29
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	SR: Page 28
	414-2 Negative social impacts in the supply chain and actions taken	SR: Page 28
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	SR: Page 27
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	SR: Page 28
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR: Page 30

N.B.: AR = Annual Report, SR = Sustainability Report (i.e. this Report)